

City of Raleigh **Privilege License Application** P.O. Box 590 Raleigh, NC 27602

(919) 890-3200

The following regulations and classifications are taken from Article B, Privilege License Tax Ordinance of the City of Raleigh, and are intended solely as a summation. For additional or complete information, see Article B, Privilege License Tax Ordinance.

INSTRUCTIONS (Please read carefully)

- Who Must Pay Tax Any person who conducts business within the city, either by maintaining a business location within the City limits or, either personally or through agents, solicits business within the city, or picks up and/or delivers goods or services within the City limits, is liable for the City's Privilege License Tax unless specifically exempted by Federal or State law or local ordinance. If a company or individual is engaged in more than one type of business activity within the city, a separate license may be required for each type of business activity. A separate license is required for each business location in the City limits. (Sec. 2-2011).
- License Tax Due Date The Privilege License Tax must be paid before a business may be located and or begin operating in the Raleigh City Limits. ALL LICENSES EXPIRE ON JUNE 30. Renewal notices are sent to licensed businesses during the first week of May. If you do not receive a renewal notice by May 31, please contact the Privilege License Office at (919) 890-3200.
- To apply for a Privilege License please complete all questions on the attached application. An application cannot be processed without the following information (Sec. 2-2016):
 - o Business name
 - o Business start date in Raleigh
 - o Zoning approval (if applicable)
 - o Signature of person making application

- o Physical location of business
- o Two different telephone numbers
- o Description of business activity
- o Business Contact Information
- Determine Amount of Tax Due Examine the Tax Schedule on the next page to determine the type codes that apply to your business activity and determine the appropriate license tax. Multiple type codes may apply to businesses that have several business activities. Please follow the instructions for each of the tax schedules. Businesses that have operated within the Raleigh City Limits without a Privilege License are subject to penalties and may be subject to back Privilege License Taxes. PLEASE DO NOT HESITATE TO CALL THE PRIVILEGE LICENSE OFFICE AT (919) 890-3200 IF YOU NEED ASSISTANCE WITH CALCULATING THE PRIVILEGE LICENSE TAX FOR YOUR BUSINESS.
- Payment Once completed, please mail your application and appropriate payment to the City of Raleigh Privilege License Tax Section at the above address. Please make your check or money order payable to the "City of Raleigh." DO NOT SEND CASH.
- Display of License Your license will be processed and mailed to you. Upon receipt, please post the black copy and file the green copy for your records (Sec. 2-2023).

Other General Information

- No abatement of tax If a licensee discontinues a business before the end of the period for which the license was issued, the license tax shall not be abated nor shall a refund of any part of the license tax be made (Sec. 2-2026).
- Collection of unpaid tax Any person who begins or continues to engage in a business taxed under this article without payment of such tax is liable for an additional tax of two and one half percent (2 1/2%) of the original tax due for each month or portion thereof that the tax is delinquent, provided the additional tax will be limited to 25% of the tax originally levied. Minimum penalty is \$5.00 (Sec. 2-2030).
- C) Change in place of business In order for your business to receive renewal notices and other correspondence in a timely manner, PLEASE NOTIFY THE PRIVILEGE LICENSE OFFICE IF THE LOCATION OF YOUR BUSINESS, OR YOUR BUSINESS MAILING ADDRESS CHANGES. Upon proper notification, an updated license will be mailed. Home based businesses must get zoning approval before license modification can be processed.
- D) Regulatory Licenses The following types of businesses are regulated by the City and must obtain special approval before beginning operation. Some require City Council approval and completion of a separate application. If you intend to operate any of these types of businesses, please contact the City Privilege License Tax Section at (919) 890-3200 for direct instruction on how to make the proper application (Sec. 2-.2016, 2-2102, 2-2134, 2-2136, 2-2156 and Article 24, Commerce and Business GS66-165)

υ Carnivals

 υ Establishments with amplified entertainment υ Precious Metals Dealers

υ Circuses

υ Massage Businesses

υ Rooming Businesses

- υ Clubs (private/public)
- υ Clubs with amplified entertainment
- υ Massagists υ Pawnbrokers
- Wake County Property Tax Listing The completion of a listing is required of all individuals, partnerships, corporations and associations who on January 1 own, control or possess any amount of leasehold improvements or personal property (tangible or intangible) used or held for a business purpose. The question of exempt status does not excuse any of the foregoing from this requirement. For more information, please contact the Wake County Revenue Department at (919) 856-5400.
- Disclaimer The issuance of a privilege license does not constitute acceptance or approval of the use of the above named location as having complied with existing building codes, fire prevention code, zoning code, city ordinance, or state law. A licensee shall remain fully liable and responsible for bringing the premises in conformity with all applicable City and State Codes.

City of Raleigh Privilege License Tax Schedule

Privilege License Taxes must be paid before beginning operation of all types of businesses located within the City limits of Raleigh, except for those businesses that have been exempted by Federal, State or local authority. Those businesses located outside the city that are doing business within the City limits are also required to obtain a Privilege License.

Listed below are two Tax Schedules "A" and "B". Please review each section for the tax(es) that may apply to your business activities.

Note: Some businesses with various types of activities may be required to pay a tax under more than one section of this Privilege License Tax Schedule.

Schedule "A" - Privilege License Taxes Based on Gross Sales/Receipts/Income

New Businesses: Estimate gross receipts from your start date until June 30, and apply the estimated amount to the tables below. Exclude any

income from business activities taxed under Schedule "B".

Renewals: List the exact gross receipts as reported on your most recently completed tax return and apply the amount to the tables below.

Exclude any income from business activities taxed under Schedule "B".

The license year runs from July 1 until June 30.

Coc	le Nature of Business	Service Establishment: (Service Establishments include, but are not limited to the following types of business activities.)						
KY	Retail Merchant	Advertising Agencies	Courier Service	Modeling Agency	Public Relations Firm	Software Development		
ΚZ	Wholesale Merchant	Catering	Delivery Service	Mortgage Company	Rental Agency	Stock Broker		
KW	Manufacturer, Processor, Producer	Child Care Service	Equipment Rental	Painting	Repair Service (non-automotive)	Storage Service		
LO	Service Establishment	Cleaning Service	Landscaping	Parking Lot	Security Guard Service	Temp. Employment		
		Consulting Service	Mail Order Service	Printing Service	Sign Installation	Vehicle Leasing/Rental		

Tax Table for Schedule "A" (\$10,000.00 Max.)

Gross	s Sales	/ F	Receipts/Income	Lic	ense Tax
\$	0.00	-	50,000.00	\$	50.00
50,0	00.01	-	75,000.00		75.00
75.0	00.01	-	100,000.00		100.00

For Receipts over \$100,000 use formula below (see example)

\$100 for 1st \$100,000 + \$.60 per additional \$1,000

If your Schedule "A" Gross Rec	eipts are <u>GREATER THAN \$100,000.00.</u>
follow the example below. Other	wise, use the tax table to the left.
1. Gross Receipts	
2. Round up to next thousand	
3. Subtract first \$100,000	<u>- 100,000.00</u>
	326,000.00
4. Divide by 1,000	= 326.00
5. Multiply by .60	<u>x .60</u>
	= 195.60
6. Add tax amount for first \$100,000	+ 100.00

The Maximum Schedule "A" Tax is \$10,000.00

295.60

6-10 employees

11 or more employees

Schedule "B" - Privilege License Taxes Limited Under State General Statutes and City Ordinances

TOTAL AMOUNT.....

Listed below are categories of business activities governed and defined within Schedule B, Privilege License Taxes of the North Carolina Revenue Laws (*NC*), or specifically taxed under Raleigh City Ordinances (*Ral*). Businesses conducting these activities are taxed under this schedule in addition to schedule A if applicable.

scriedule in <u>addition</u> to scriedule A ii a	ppilicable.				
AC Advertising - Outdoor (NC)	\$35.00	BN Directory Company (no advertising) (Ral)	25.00	CO Loan Agency or Broker (NC)	100.00
PA Advertising (Public Announcement) (Ral)	35.00	BC Dry Cleaners (NC)	50.00	AR Motorcycles and Accessories (NC)	12.50
AA Advertising on Motor Vehicles (Ral)	5.00	BQ Electrical Contractor (NC)	50.00	DM Movie Theaters - per screen (NC)	200.00
AB Advertising on Movie Screen (Ral)	75.00	BO Electrical Light & Power Company (Ral)	2,000.00	VR Movie Video/Rental/Retail (NC)	25.00
AF Amusement - (riding devices, pinball, etc.) (/	VC) 25.00	EV Electronic Video Game - per Machine (NC)	5.00	CS Music Machines - per machine (NC)	5.00
AE Amusement - Admission is charged (NC)	25.00	BR Elevator Installation (NC)	100.00	CT Musical Merchandise Retail/Repair (NC)	5.00
AG Armored Car Service - per vehicle (Ral)	15.00	BU Employment Agency - Emigrant (NC)	300.00	CV Packing House (NC)	100.00
Al Automatic Sprinkler Installation (NC)	100.00	BT Employment Agency - Permanent (NC)	100.00	CX Peddlers - By Vehicle (NC)	25.00
AK Automobile Dealership (add LO if leasing) (A	VC) 25.00	CR Insulation Service (Ral)	50.00	CX Peddlers - on foot (NC)	10.00
AM Automotive Equipment (Retail) (NC)	12.50	DU Firearms Dealers (Fed. Lic. required) (NC)	50.00	DA Plumbing - Contractor (NC)	50.00
AL Automotive Equipment (Wholesale) (NC)	37.50	FP Fortunetellers, Palmists (NC)	200.00	DB Pool Tables (NC)	25.00
AN Barber Shop - Each Operator (NC)	2.50	BY Funeral Home, Retail Coffin Dealer (NC)	50.00	DC Radios/Records/TV: Retail/Repair (NC)	5.00
AO Beauty Shop - Each Operator (NC)	2.50	BZ Garage - Car Repair (NC))	12.50	DG Service Station / Car Wash (NC)	12.50
AP Bicycles - Sale / Accessories (NC)	25.00	CA Gas Company (<i>Ral</i>)	750.00	DY Sundries (soft drinks, tobacco, vending)	
AV Bowling Alley - per alley (NC)	10.00	CD Heating/Mechanical Contractor (NC)	50.00	TC Telegraph Company (NC)	50.00
GA Cafe, Cafeteria, Restaurant - 0-4 Seats (NC)		BW Heating/Illumination Oil Distributor (NC)	50.00	DP Tobacco Warehouse (NC)	50.00
GB Cafe, Cafeteria, Restaurant - 5+ Seats (NC)		CE Hotel, Motels - per room (min. \$25.00) (NC)		DQ Tourist Home - per room (min. \$25.00) (
DG Car Wash / Service Station (NC)	12.50	CF Ice Cream - Retail Sales (NC)	2.50	DS Trailer Camps (NC)	12.50
SC Chain/Branch Store (Start with 2nd location)		CF Ice Cream MFG (NC) based on gallor		DW Vendor Produce (Ral)	100.00
CO Check Cashing Businesses (NC)	100.00	3 ()	on tons/day	MI Miscellaneous Doing Business in the	City (Pal)
BG Collections Agency (NC)	50.00	CJ Itinerant Merchant (NC)	100.00	Use this category if no other categori	
BH Construction Contractor (Ral)	25.00	CL Kindergarten (1-3 instructors) (Ral)	10.00	in Section A or Section B apply.	63
BK Dance Studio (1-3 instructors) (Ral)	10.00	CM Kindergarten (4+ instructors) (Ral)	50.00	1-5 employees	667.00
BL Dance Studio (4+ instructors) (Ral)	50.00	EA Knives, Daggers, Slingshots, etc. (NC)	200.00	6-10 employees	1 33/1 00

Exemptions: The following business activities are exempt from the City Privilege License Tax. Exempt businesses engaging in other non-exempt business activities, <u>ARE</u> taxable. Example: The sale computer hardware is not taxable, however software sales, and service/ repair receipts are taxable.

Accountants	Auctioneers
Alarm Dealers	Banks
Alarm Monitoring	Bondsmen
Appliance Retail	Breweries
Appliance Rental	Bus Companies
Architects	Chiropodists
Attorneys	Chiropractors

Computer Hardware Retail & Rental Dentists Distributing Motor Fuel at Wholesale Embalmers

Engineers

250.00

Flea Market Vendors Healers Insurance Companies Land Surveyors Landscape Architects Morticians Oculists

EB Laundries & Linen Supply (NC)

Office Equipment Retail
Office Equipment Rental
Office Rental
Opticians
Optometrists
Osteopaths
Pest Control Applicators

Office Equipment Retail
Photographers
Physicians
Private Detectives
Railway Companies
Real Estate Agents
Residential Rental

50.00

Savings & Loan Assoc. Surgeons Telephone Companies Trucking Companies Veterinarians Wineries

1,334.00

2,000.00

Privilege License Application rev 9/2000

BM Directory Company (Ral)

Account#	
License#	

Application for Privilege License Tax City of Raleigh

Privilege License Tax Section
P.O. Box 590, Raleigh North Carolina 27602
(919) 890-3200

For Office Use Only Zoning Approval	

Date of Application: / /	License Tax Y	ear Beginning July 1,
■ New Application ■ Renewal ■ Ownership Change ■ Name Change ■ Address Change ((Current licensees shou	uld indicate their license number.)
1		<u> </u>
Physical Address of Business Location. Please include any Suite or Apt #'s. Do not use a P.O. Box i	# City	State Zip Code
2		
3.	Taxpayer ID # o	or Social Security #:
Corporate Name (Sole proprietorships should indicate the owner's name.)		,
State Contractor or Professional License Held:	License	Number:
5. Business Mailing Address if different from above <i>(all correspondence will be sent to this address)</i>		<u> </u>
Business Mailing Address if different from above (all correspondence will be sent to this address)	City	State Zip Code
6.()	equired) ()	 Fax Number
7. Is Your Business Located in the Raleigh City Limits? No Yes 8. Is the Business Home Based? No Yes		
Each business must have a principal location. A business is considered to be Home Ba includes businesses of a mobile nature such as construction companies, mobile car rep	oair, power washing,	repair services, etc.
If the answer to both questions 7 & 8 is yes, our policies require that you obtain a Home from the Zoning Division of the Inspections Department.	•	
If you are applying by mail please include your completed Home Occupation Use Permi	it Application with yo	ur Privilege License Application.
10. Date Business Began in Raleigh or will Begin in Raleigh:/		f Employees:
11. Type of Business Ownership: Corporation (including LLC's and S Corps) Sole Proprieto	or Partnership	Other
12. Applicant Information: This person will be the primary contact for the business. Sole Pro	prietorships should in	ndicate the owner here.
<u> </u>		
Last Name First Name		M.I.
	/	State Zip Code
Home Telephone Number		
13. Emergency Contact Information (Used by 911 Communications)		
Last Name First Name		M.I.
(ip to Business:	
14. Does your business sell intoxicating beverages? No Yes (If yes, you must also complete	ete a City of Raleigh Malt Beve	erage/Wine Premises License Application.)
15. Does your business have other locations in Raleigh? No Yes (if yes, list the locations in the		
16. Does your business ☐ Own or ☐ Rent the location listed above? From whom do you rent?	?	

New B			eipts from your sta xclude any incor						oles on the back of the
Renew	bao	ck of the instructi		e any incon				and apply the amo	unt to the tables on the le "B".
(KY) (KZ)	ode/Busine Retail Merch Wholesale M Manufacture Service Esta	ess Activitie nant Merchant er	es G	Fross Sa	ales/Re	ceipts 		License Tax \$	
The fig	ures reported	d above are f	or the period f	rom	/	/	to	_//	_•
		es and tax amou	unts that apply to		ess from S	Schedule B	located on Operators/E cable)	Tax Schedu the back of the ins itc. License Ta	struction sheet.
								\$	
			Calculating	Past Du	ie Taxe	s and P	enalties	<u> </u>	
Business subject to portion the mini Back taxe that a bustable below	o late penalties of pereof that the tax mum penalty is \$\frac{9}{2}\$ es and penalties a siness has been in the pereor to calculate passes.	ated without paying 2.5% of the origing is delinquent, with the state of the state		n 30 days or alty of 25%. – June 30) use. Use the	April 8 Mor Penal Origin Late F	15 to apply for this delinquenty Percentage and Tax Due Penalty Tax and Penalty	or a license, t (2.5% for ea		x 2.5 20% x \$200 \$40.00 \$240.00
All I		•	AX AND PEI		a r c iiaiti	es Must b	1		R PENALTIES
License Year	Gross Receipts	Schedule "A" Taxes	Schedule "B" Taxes	Total Tax	Penalty %	Penalty Amount	Add So (ZZ) Po (Min. P (PT) Po (PZ) Po Total L Tax & I	chedules A and B enalty% Penalty \$5.00) ast Due Tax ast Due Penalty License Penalty \$	\$ \$ \$
I otal I	Past Due Tax:		Total Past [Jue Penai	ity:		Returned	a Check Fee – Maximur	n Allowed Under State Law
is true, c issuance existing bringing Raleigh o	under penalties pomplete and made of a privilege libuilding codes, the premises in of any change in	orescribed by law de in good faith f icense does not fire prevention of conformity with location and/or r	v, that I have exam for the taxable per t constitute accep code, zoning code all applicable City mailing address. It	nined this ap iod stated p otance or ap e, city ordina and State (t is the response	oplication a pursuant to oproval of ance, or s Codes. Ad onsibility o	and stateme the City of the use of tate law. A l ditionally, a of the license	nt; and that Raleigh Lice the above licensee shalicensee shalicensee shale ee to renew	ense Tax Ordinance named location as all remain fully liab all be responsible f the Privilege Licen	nowledge and belief, it e. I understand that the having complied with le and responsible for for notifying the City of
								tionship to Business	
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CITY OF RALEIGH | ZONING INSPECTIONS PO BOX 590 | RALEIGH, NC 27602

HOME OCCUPATION USE PERMIT

The business activity proposed at the following address must take place within the livable portion of the dwelling and must comply with all Zoning Regulations of the City of Raleigh. Permits will be issued or denied based on answers to the following questions. Please print clearly, read each line carefully and answer accurately. **Include the \$65.00 permit fee with your application.**

APPLICANT:	BUSINESS NAME	=
ADDRESS:	ZIP:	PHONE #:
TYPE OF BUSINESS:		
Describe business activity that will take place on the pre	mises:	
Will any business activity be conducted from the yard a stored in a detached accessory building: □Yes □ No	`	or will anything in connection with the business be
Describe any alterations to the dwelling or special equip		
Number of residents in the home: Number Number of employees/partners residing elsewhere: Will customers or groups of people come to your home to yes, how many:	to obtain your service	
Make: Model: Type: _ Size of dwelling/home:sq. ft.	of variation of Area used in home	for business:sq. ft.
Do you intend to use a sign on your vehicle: ☐Yes ☐ I have answered the above questions to the best incidental to the use of my home.		·
Signature:	Date:	
OFFICE USE ONLY		Validation:
ZONING:		
Reviewed by:		
Conditions:		